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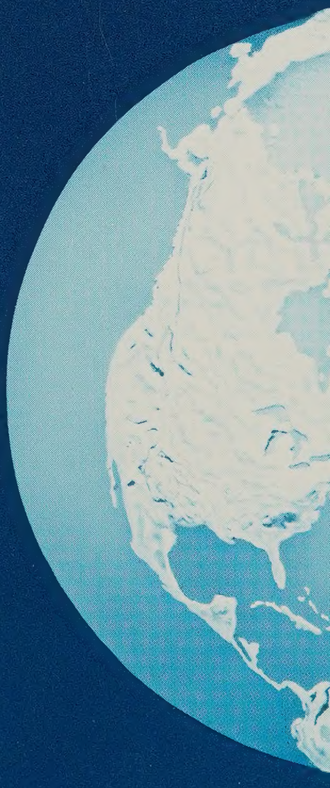
KeepRite



THIRTY-SIXTH ANNUAL REPORT 1980

KeepRite Inc.

Directors

H. PURDY CRAWFORD, Q.C.
Toronto, Ontario

JOHN G. EDISON, Q.C.
Toronto, Ontario

GERALD T. FENWICK
Brantford, Ontario

ROSS M. HANBURY
Toronto, Ontario

WILLIAM H. HARPER
Toronto, Ontario

DONALD G. McKAY
Brantford, Ontario

EDMOND G. ODETTE
Toronto, Ontario

LOUIS L. ODETTE
Toronto, Ontario

JOHN G. STEER
Toronto, Ontario

WILFRID G. WOODCOCK
Brantford, Ontario

Executive Committee

WILLIAM H. HARPER — Chairman
EDMOND G. ODETTE
DONALD G. McKAY
JOHN G. STEER

Audit Committee

LOUIS L. ODETTE — Chairman
H. PURDY CRAWFORD
ROSS M. HANBURY

Officers

EDMOND G. ODETTE
Chairman of the Board

WILLIAM H. HARPER
Vice Chairman of the Board

DONALD G. McKAY
President and
Chief Executive Officer

GERALD T. FENWICK
Sr. Vice President,
Operations

LLOYD E. HACK
Sr. Vice President,
Finance and Administration

WILFRID G. WOODCOCK
Sr. Vice President,
Marketing

R. ROY BENNETT
Vice President and Director
of Manufacturing —
Brantford

A. ROSS GEDGE
Corporate Controller

Registrar and Transfer Agents

THE CANADA TRUST COMPANY
Montreal, Toronto

Shares Listed

TORONTO STOCK EXCHANGE

Auditors

PRICE WATERHOUSE & CO.
Chartered Accountants
Hamilton, Ontario

1980 Financial Highlights

	1980	1979
Sales	**$75,805,290**	$65,103,666
Net Earnings (after taxes)	**$ 3,289,085**	$ 3,991,718
Net Earnings (per share)*	**$ 2.07**	$ 1.98
Dividends per Share	**80¢**	55¢
Shares Outstanding at December 31st	**1,321,094**	2,017,581
Investment in Fixed Assets	**$ 3,773,908**	$ 1,064,172
Interest Expense — Operating	**$ 2,114,378**	$ 945,687
— Long Term Debt	**$ 686,466**	—
Backlog of Unfilled Orders, Dec. 31st	**$20,869,276**	$23,006,725

*These earnings per share are calculated on the weighted average number of shares outstanding during the year. Based on the number of shares outstanding at December 31, 1980, the earnings per share were $2.50.

Report to the Shareholders

Significant progress was achieved by KeepRite in 1980 despite recession and inflation, which were key factors affecting the Company's performance. Important initiatives were undertaken to improve inventory control and material requirements planning, through sophisticated computerized systems at both Brantford and London, together with organizational changes, plant capacity improvements with the purchase of an additional new plant in Brantford and an expansion in London. Other initiatives included improved cash management, development of export sales and production load levelling.

The Company received an exemption from the Compliance Division of the Federal Department of Consumer and Corporate Affairs under Section 150 of the C.B.C.A. respecting segmented information on export sales, for the year ended December 31, 1980.

Financial Results

Earnings for 1980 were $3,289,085 or $2.07 per share, compared to $3,991,718 or $1.98 per share for the previous year. Earnings per share were based on the weighted average number of shares outstanding during the year. During 1980, KeepRite purchased 704,267 of its own shares and based on the number of shares outstanding at December 31, 1980, the earnings per share were $2.50. Earnings were adversely affected by substantially increased interest costs for operations, the purchase of a new plant in Brantford and the addition to the plant in London, together with the share repurchase.

Consolidated sales for the year reached $75,805,290 up from $65,103,666 last year. The Board of Directors increased the dividend paid to shareholders from 55 cents in 1979 to 80 cents per share in 1980.

Management

At mid-year, Mr. L.E. Hack, C.A., R.I.A., was appointed Senior Vice President Finance and Administration, and Mr. C.F. Gouthro, Director of Human Resources.

Manufacturing and Plants

At Brantford, Ontario, the new plant acquisition in February of 1980 became operational during the year with the installation of three production lines for assorted Commercial products. This facility brings the total manufacturing area in Brantford to some 400,000 square feet. In addition, the Company leases a 62,000 square foot finished goods and service centre warehouse.

In London, Ontario, the 25,000 square foot plant and office expansion was completed at mid-year, giving a total of 90,000 square feet. With the installation of new and relocated equipment completed by year end, this new facility will permit improved efficiency and increased capacity.

The Lisbon, Ohio plant which had previously been leased was purchased in April 1980. Surplus space is available for development of additional capacity and new product lines.

Report to the Shareholders *(continued)*

Strategic Planning

A review of the longer term strategic plans for each of our product lines is conducted on a regular basis. The purpose of the review is to examine the Company's sales forecast and to ensure that the plans are supportive of the Company's objectives and to analyze the outlook for the markets of the different product groups and to confirm that a satisfactory return on investment can be achieved. The Company's resources are then allocated to those products which are considered to have the best potential for profitable growth.

Outlook

After concluding a year in which there was a small decline in real economic growth, prospects are for a modest positive real growth. Notwithstanding the cautious optimism expressed for the new year, your Company is forecasting real sales growth with particular emphasis on new markets, both at home and abroad.

Continued attention to cost reduction, rigorous financial, inventory and other controls will be necessary to achieve the established goals.

The forecast is, of course, contingent upon the availability of supplies of purchased parts, raw materials and steel in particular.

A satisfactory backlog of orders at December 31, 1980 in practically all product lines contributes to the Company's confidence for 1981.

Products

Commercial and Industrial Air Conditioners

Rooftop air conditioners, condensing units, commercial split systems and through-the-wall air conditioners as well as specially designed and manufactured units are included in this group of products.

Commercial and Industrial Refrigeration

Refrigeration units are used in walk-in coolers and freezers and industrial plants to maintain temperature or humidity conditions for either products or processes.

Room Air Conditioners

Room air conditioners are primarily manufactured on a private branded basis for various major well known corporations in Canada, U.S.A., Australia, United Kingdom and other countries. Room air conditioners sold outside these markets are usually KeepRite brands.

Residential Air Conditioners

KeepRite produces a very popular residential "split system" central air conditioning unit which enjoys a substantial share of the Canadian market being a "best seller". The product line is marketed under the name KeepRite as well as private branded for other companies and has developed a reputation for dependability, quietness and efficiency unmatched by its competition.

Heat Pumps

KeepRite has been building heat pump room air conditioners for sale in offshore markets for several years. More recently your Company has introduced an all electric residential packaged heat pump specifically designed for the Canadian climate. An add-on version of this product for use with an existing forced warm air furnace, will be available in mid -1981.

Industrial Heat Transfer Products

The London-Unifin plant manufactures many different types of heat exchanger products using a special integral finned tubing. These sophisticated products are individually designed for many applications in many countries of the world. Unifin design engineers have earned an enviable reputation for their vast knowledge and application of engineering principles of heat transfer problems.

Oil Immersed Pumps

KeepRite-Cardinal Inc. in Lisbon, Ohio designs and manufactures unique and highly specialized pumps, primarily oil-immersed pumps for the electrical industry. Cardinal concluded the most successful year in their history due to exceptional efforts of all concerned. An expanded line of pumps as well as the replacement pump market, forms a part of the 1981 planning.

Acknowledgements

Your Directors wish to express their appreciation to our many customers, shareholders and more than 850 KeepRite employees who contributed to the successful year for the Company.

Congratulations are also extended to KeepRite-Unifin, London, who were the proud recipients of the exclusive U.S. Westinghouse "Excellence" Award, given only to a few key suppliers. Unifin supplies Westinghouse with specially built Transformer Oil Coolers.

The Company signed a three year Collective Agreement with the Brantford hourly employees Independent Union effective October 1, 1980. London Collective Agreement carried through to May 1982.

By Order of the Board of Directors.

E.G. Odette
Chairman

D.G. McKay
President and C.E.O.

April 10th, 1981

The 1980 KeepRite Team

Donald G. McKay, P.Eng.,
President and Chief Executive Officer

KeepRite Board of Directors
(L to R) John G. Steer, C.A.; William H. Harper, P.Eng.; John G. Edison, Q.C.; Wilfrid G. Woodcock, P.Eng.; Gerald T. Fenwick, P.Eng.; H. Purdy Crawford, Q.C.; Louis L. Odette; Donald G. McKay, P.Eng.; Edmond G. Odette, P.Eng.; Ross M. Hanbury (not present).

Our Business Philosophy

1. To build a quality product — and back it with the highest quality customer service, engineering and technical competence.

2. To create an enterprise where people are important and are happy to work and make a satisfactory income to support themselves and their families.

3. To make a profit — in order to be able to build new plants, buy up-to-date equipment, explore, develop and market new products. All this to help create jobs and enable us to pay an acceptable dividend to our shareholders.

4. To have a system whereby we could share some of our good fortunes and profits with our people who helped make these profits — in the form of "Incentive Earnings".

5. To conscientiously endeavour by all means at our disposal to try to supply steady year-round employment for all our people.

Corporate Group
Shown with D.G. McKay, P.Eng., President and Chief Executive Officer; (L to R) W.G. Woodcock, P.Eng., Senior Vice President, Marketing; C.F. Gouthro, Director of Human Resources; L.E. Hack, C.A., R.I.A., Senior Vice President, Finance and Administration; W.J. McLean, P.Eng., Executive Assistant, Planning; G.T. Fenwick, P.Eng., Senior Vice President, Operations.

Operations Group
(L to R) R.R. Bennett, Vice President, Manufacturing, Brantford; G.S. Macivor, P.Eng., Director of Engineering, Brantford; J.C. Richardson, P.Eng., Engineering Manager, Unifin; K.W. Renshaw, B.Sc., B.Comm., Plant Manager, Unifin; F. Oreskovich, Bs.M.E., Engineering Manager, Commercial Products, Brantford; G.T. Fenwick, P.Eng., Senior Vice President, Operations.

Finance Group
Shown with L.E. Hack, C.A., R.I.A., Senior Vice President, Finance and Administration; (L to R) A.R. Gedge, R.I.A., Corporate Controller; R.A. Theal, R.I.A., Accounting Manager, Brantford; R.G. Corneil, C.G.A., Accounting Manager, Unifin.

Marketing Group
Shown with W.G. Woodcock, P.Eng., Senior Vice President, Marketing; (L to R) B.W. Chubb, P.Eng., Director, Room Air Conditioning Group, Brantford; G.E. Lill, Sales Manager, Unifin; R.W. Moore, Service Manager, Brantford; D.L. Foot, B.Sc., Director, Commercial Products, Brantford; E.O. Okutan, Corporate Manager, Advertising and Sales Promotion.

Consolidated Statement of Income

	Year ended December 31 1980	1979
Sales	**$75,805,290**	$65,103,666
Cost of sales, general, selling and administrative expenses	**66,506,143**	56,612,675
Depreciation and amortization	**1,047,218**	851,586
Interest expense	**2,800,844**	945,687
	70,354,205	58,409,948
Income before income taxes	**5,451,085**	6,693,718
Provision for income taxes	**2,162,000**	2,702,000
Net income for the year	**$ 3,289,085**	$ 3,991,718
Earnings per share (Note 7)	**$ 2.07**	$ 1.98

Consolidated Statement of Retained Earnings

	Year ended December 31 1980	1979
Balance at beginning of year:		
As previously reported	**$20,097,547**	$17,160,502
Adjustment of prior years' capitalization and depreciation of fixed assets (Note 2)	**781,518**	836,996
As restated	**20,879,065**	17,997,498
Add:		
Net income for the year	**3,289,085**	3,991,718
	24,168,150	21,989,216
Less:		
Dividends paid (Note 10)	**1,335,067**	1,110,151
Distribution on repurchase of shares	**11,819,910**	—
	13,154,977	1,110,151
Balance at end of year	**$11,013,173**	$20,879,065

KeepRite Inc.

Consolidated Balance Sheet

	December 31 1980	1979
Assets		
Current assets:		
Accounts receivable	**$14,563,395**	$13,903,926
Inventories	**21,959,821**	20,652,047
Income taxes recoverable	**224,157**	—
Prepaid expenses	**239,430**	198,617
	36,986,803	34,754,590
Fixed assets, at cost (Note 3)	**14,480,702**	10,838,325
Less: Accumulated depreciation	**5,443,772**	4,558,338
	9,036,930	6,279,987
Other assets:		
Deferred development costs	**141,500**	—
Receivable under employee share purchase plans (Note 4)	**105,391**	183,434
Goodwill, at cost less amortization	**30,253**	60,506
	277,144	243,940
	$46,300,877	$41,278,517
Liabilities		
Current liabilities:		
Bank indebtedness	**$19,430,168**	$10,565,522
Accounts payable and accrued liabilities	**7,590,787**	6,468,761
Income taxes payable	**—**	506,801
Customers' deposits	**197,241**	765,016
Current portion of capital lease obligations	**88,652**	75,868
	27,306,848	18,381,968
Capital lease obligations (Note 5)	**294,760**	386,121
Long-term debt (Note 6)	**6,000,000**	—
Deferred income taxes	**1,406,000**	1,287,000
Shareholders' equity:		
Capital stock (Note 7)	**280,096**	344,363
Retained earnings	**11,013,173**	20,879,065
	11,293,269	21,223,428
	$46,300,877	$41,278,517

Approved by the Board:

E.G. Odette

E.G. ODETTE, Director

D.G. McKay

D.G. McKAY, Director

Consolidated Statement of Changes in Financial Position

	Year ended December 31 1980	1979
Financial resources were provided by:		
Operations —		
Net income	**$ 3,289,085**	$ 3,991,718
Items not requiring a current outlay of funds —		
Depreciation and amortization	**1,047,218**	851,586
Deferred income taxes	**119,000**	17,000
Total from operations	**4,455,303**	4,860,304
Long-term debt incurred	**6,000,000**	—
Non-current capital lease obligations	**—**	386,121
Repayment of advances under employee share purchase plans	**133,981**	112,455
Class A shares issued	**55,938**	—
	10,645,222	5,358,880
Financial resources were used for:		
Purchase of fixed assets, net	**3,773,908**	1,064,172
Dividends	**1,335,067**	1,110,151
Common shares repurchased	**11,940,115**	9,008
Advances under share purchase plan	**55,938**	—
Deferred development costs	**141,500**	—
Reduction in non-current capital lease obligations	**91,361**	—
	17,337,889	2,183,331
Increase (decrease) in working capital	**(6,692,667)**	3,175,549
Working capital at beginning of year	**16,372,622**	13,197,073
Working capital at end of year	**$ 9,679,955**	$16,372,622

Auditors' Report

To the Shareholders of KeepRite Inc.:

We have examined the consolidated balance sheet of KeepRite Inc. as at December 31, 1980 and the consolidated statements of income, retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, except only for the lack of separate disclosure of export sales (Note 9), these consolidated financial statements present fairly the financial position of the Corporation as at December 31, 1980 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied, after giving retroactive effect to the change in capitalizing and depreciating fixed assets referred to in Note 2 to the financial statements, on a basis consistent with that of the preceding year.

PRICE WATERHOUSE & Co.
Chartered Accountants

Hamilton, Ontario
February 27, 1981

Notes to Consolidated Financial Statements

December 31, 1980

1. Accounting policies:

Principles of consolidation —

The consolidated financial statements include the accounts of the Corporation and its wholly-owned subsidiary, KeepRite Cardinal Inc. All significant intercompany transactions have been eliminated.

The investment in the subsidiary is accounted for using the purchase method. Goodwill, the excess of the cost of shares of the subsidiary over the net book value of the assets acquired, is being amortized over a five year period which commenced in 1977.

Inventories —

Inventories are valued at the lower of cost and net realizable value, with cost being determined substantially using the first-in, first-out (FIFO) method.

Fixed assets —

Fixed assets are stated at cost less the federal investment tax credit. Depreciation is provided using the straight-line method (Note 2) at rates designed to write off the assets over their estimated useful lives as follows:

Buildings	2-1/2%
Machinery and equipment	10%
Furnishings and fixtures	10% and 20%
Automotive equipment	25%
Tools and dies	33-1/3%

Leases —

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incident to the ownership of property is classified as a capital lease. All other leases are accounted for as operating leases wherein rental payments are expensed as incurred. Assets recorded under capital leases are amortized using the straight-line method at rates based on the estimated useful life of the assets.

Deferred development costs —

Costs relating to the development of, and which will be recoverable through the sale of, new products are deferred until commercial production commences; costs deferred are amortized over the lesser of three years or the estimated sales life of the product.

Income taxes —

Deferred income taxes are provided in respect of timing differences between financial and tax reporting, principally depreciation.

Translation of foreign currency —

Foreign currency balances and transactions have been translated into Canadian dollars as follows: current assets and current liabilities at the exchange rate in effect at year-end; other assets and liabilities at rates prevailing at the transaction dates; revenue and expenses, except for depreciation and amortization, at average rates for the year.

Earnings per share —

Earnings per share are calculated based on the weighted average number of shares outstanding during the year.

Pension costs —

Current service costs of the Corporation's pension plan are funded and charged to operations as they accrue. The unfunded liability for past service pension costs, the amount of which is not significant, is being funded over a fifteen year period which commenced in 1978.

2. Changes in accounting policy:

During 1980, the Corporation changed its method of providing for depreciation from the declining balance to the straight-line method. Tools and dies, formerly charged to expense in the year of acquisition, are now capitalized and depreciated. These changes have been applied retroactively and have increased amounts previously reported for net fixed assets by $1,411,518, deferred income taxes by $630,000 and retained earnings by $781,518. The effect of the changes on net income is not significant.

3. Fixed Assets:

	1980	1979
Land and improvements	$ 540,471	$ 297,871
Buildings	6,326,693	3,882,629
Machinery and equipment, furnishings and fixtures	6,173,821	5,468,384
Tools and dies	932,632	711,922
Equipment held under capital leases	507,085	477,519
	14,480,702	10,838,325
Less: Accumulated depreciation	5,443,772	4,558,338
	$ 9,036,930	$ 6,279,987

4. Receivable under employee share purchase plans:

This comprises —

	1980	1979
Advances to trustee under employee share purchase plan	$ 56,861	$ 183,434
Receivable from employees under Book Value Performance share purchase plan	48,530	—
	$ 105,391	$ 183,434

Employee share purchase plan —

Under the terms of this plan, the Corporation advanced funds to a trust to finance the purchase of common shares from treasury. The advances bear interest at 6% and are repayable over 5 years. The shares are released to the employee as the advances are repaid. Following the cessation of employment of two senior employees, 4,267 common shares held for them under the plan were repurchased by the Corporation at a price of $9.40 a share and the proceeds applied to reduce related advances. The shares in question were all restored to the status of authorized but unissued shares. During 1980, it was decided that no further shares will be issued under this plan.

Book Value Performance share purchase plan —

Under the terms of this plan for senior employees, adopted during 1980, the Corporation may loan funds to finance the purchase of Class A shares. The allocation and number of shares is determined by the Board of Directors at

a price equal to the book value per share prior to their issue. During 1980, funds were loaned for the purchase of 7,780 Class A shares at $7.19 each. The shares are released to the employees when the loans are fully paid. The loans bear interest at 7% per annum.

5. Leases:

The amount of capital lease obligations represents the future minimum lease payments less interest to arrive at the present value of the future minimum lease payments. Depreciation and interest expense for the year include amounts resulting from capital leases.

The future minimum lease payments at December 31, 1980 are as follows:

	Capital leases	Operating leases
1981	$123,994	$231,554
1982	123,994	144,938
1983	137,977	62,543
1984	63,345	27,503
1985	17,069	18,120
Subsequent years	—	33,024
Total future minimum lease payments	466,379	$517,682
Less: Interest	82,967	
Present value of future minimum lease payments	$383,412	

6. Long-term debt:

Long-term debt represents a term loan from Barclays Canada Limited with interest on a cost of funds basis, currently 12.125%. Interest expense on long-term debt for 1980 amounted to $686,466. The debt is secured by a pledge of land and buildings and is repayable $1,500,000 annually on December 31, 1983 to 1986.

7. Capital stock:

Common shares repurchased —
Pursuant to an offer to shareholders, on May 22, 1980 the Corporation repurchased 700,000 common shares at $17 each, or $11,900,000. In addition, 4,267 common shares were repurchased for $40,115 in accordance with terms of the employee share purchase plan as described in Note 4. Issued capital has been reduced by $.1707 a share, or $120,205 and the balance, $11,819,910, was charged to retained earnings as a distribution on redemption. The shares have been restored to the status of authorized but unissued shares.

Class A shares —
During 1980, the Corporation created 200,000 non-voting Class A shares for the purpose of establishing a new employee share purchase plan. The directors have allocated to senior employees 38,900 class A shares, of which 7,780 shares vest to the employees concerned in each of the years 1980 to 1984, provided that they remain in the employ of the Corporation. Only shares which have vested carry an obligation of payment and an entitlement to dividends. Accordingly, the unvested shares have not been treated as issued.

The Class A shares rank equally with the common shares as to dividends.

Authorized and issued —
At December 31, 1980 authorized capital includes 2,019,181 common shares and 200,000 Class A shares. The following table sets out the changes in issued capital stock during 1980:

	Number of shares	Amount
Common shares:		
Balance December 31, 1979	2,017,581	$344,363
Shares repurchased	704,267	120,205
Balance December 31, 1980	1,313,314	$224,158
Class A shares:		
Vested in employees during the year, and balance December 31, 1980	7,780	$ 55,938
Total issued capital		$280,096

Earnings per share —
As a result of the issue of Class A shares and the repurchases of common shares, the weighted average number of shares outstanding, upon which earnings per share are calculated, during 1980 was 1,589,277 (1979 — 2,018,777).

8. Related party transactions:

Administrative expenses and accounts payable include a charge of $150,000 for management services by Odette Group Limited, a shareholder.

During 1980, Eastern Construction Company Limited, a related corporation, constructed an extension to the plant and office in London, Ontario for $881,429.

Of the 700,000 common shares repurchased at $17.00 each as referred to in Note 7, 300,000 common shares were repurchased from Odette Group Limited.

9. Segmented information:

Generally accepted accounting principles now require the Corporation to disclose in its consolidated financial statements information which segments its operations by industry and geographical area, and to disclose the amount of export sales.

The Corporation considers that its manufacturing operations are limited to one class of product and one geographical area, since the operations of its subsidiary in the United States are not significant to the total.

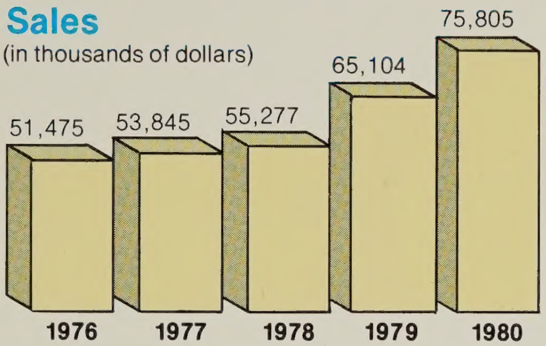
The directors believe that disclosure of export sales could be damaging to the Corporation and, accordingly, would not be in the best interests of the Corporation or the shareholders. In response to the Corporation's application, the Director of the Canada Business Corporations Act, has issued an order exempting the Corporation from the necessity to make such disclosure in these financial statements.

10. Dividends:

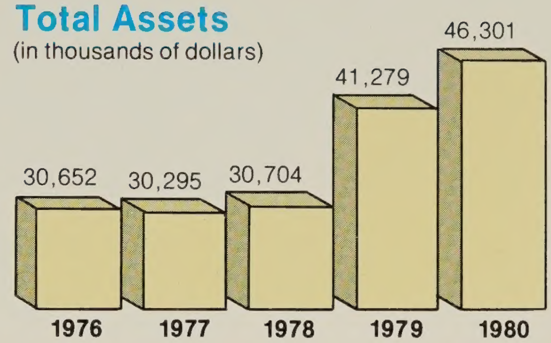
During the year the Corporation paid dividends aggregating $.80 a common share (1979 - $.55 a common share) and $.20 a Class A share.

Five Year Comparisons

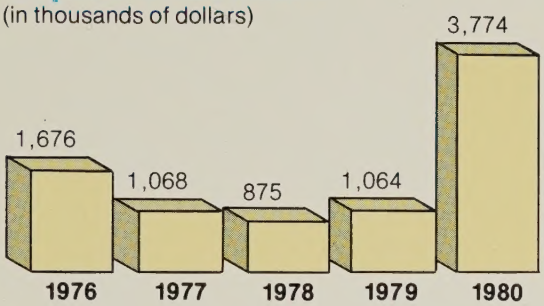
Sales
(in thousands of dollars)



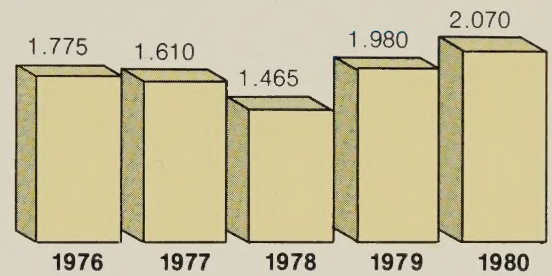
Total Assets
(in thousands of dollars)



Capital Investment
(in thousands of dollars)



Earnings Per Share
(in dollars and cents)



Ten Year Summary of Financial Highlights

Years	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971
Operations: (in thousands of dollars)										
Sales	**75,805**	65,104	55,277	53,845	51,475	41,551	43,290	31,546	26,866	22,798
Income before income taxes	**5,451**	6,694	5,047	5,468	6,195	5,181	3,931	2,650	2,750	2,262
Income taxes	**2,162**	2,702	2,090	2,217	2,621	2,205	1,659	1,109	1,288	1,142
Net income for the year	**3,289**	3,992	2,957	3,251	3,574	2,976	2,272	1,541	1,462	1,120
Balance Sheet: (in thousands of dollars)										
Fixed assets Net after depreciation	**9,037**	6,280	4,547	4,678	4,190	3,209	2,628	2,642	2,532	1,944
Depreciation	**1,047**	852	1,036	740	624	691	639	416	479	365
Capital investment	**3,774**	1,064	875	1,068	1,676	1,310	625	526	1,067	352
Shareholders' equity	**11,293**	21,223	17,514	16,198	13,803	11,070	8,618	6,934	5,947	4,899
Earnings Per Share: (in dollars)										
Common	**2.070***	1.980	1.465	1.610	1.775	1.509	1.156	.784	.744	.570

*Based on the weighted average number of shares.

KeepRite, an all Canadian company, is a leading manufacturer of refrigeration, air conditioning, heat transfer and heat recovery products. It has an outstanding record of profitable growth during 36 years of operation. Its products are marketed extensively in North America and are exported to many countries throughout the world.

Company Plants and Offices

KeepRite Inc. — HEAD OFFICE
44 Elgin St., Brantford, Canada N3T 5P4
Telephone 519-753-8471 • Telex 061-81128
Cable address: KeepRite Brantford

KeepRite - Brantford
BRANTFORD PLANT No. 1
44 Elgin St., Brantford, Canada N3T 5P4

BRANTFORD PLANT No. 2
159 Roy Blvd., Brantford, Canada

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